Congress has demanded for the inclusion of agricultural and industrial labour in the scheme loan waiving upto Rs. 10,000/-; and

(b) if so, what is Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Government of India have formulated the Agricultural and Rural Debt Relief (ARDR) Scheme, 1990 for providing debt relief to farmers, landless cultivators, artisans and weavers upto Rs. 10,000/-by public sector banks and regional rural banks. For the operation of the Scheme, Government of India have taken into account suggestions and demands put forth by the State Government and other forums/ organisations in so far as they are practicable in the implementation of the Scheme.

**Setting up of National Rural Banking Corporation**

1858. SHRI BASUDEB MOHAPATRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to set up a National Rural Banking Corporation for meeting the entire fund requirement for rural development programme;

(b) if so, what are the details of such programme;

(c) whether Government have received any memorandum from All India Regional Rural Banking Employees Association to this effect; and

(d) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) No, Sir.

(b) Does not arise.

(c) and (d) The suggestions received from various forums/organisations for improving the institutional arrangements for surveying rural credit are considered by the Government, Reserve Bank of India and National Bank for Agriculture and Rural Development and appropriate decisions taken where warranted.

**Irrigation projects from Andhra Pradesh pending clearance**

1859. SHRI TALARI MANOHAR:
DR. NARREDDY THULASI REDDY:
SHRI T. CHANDRASEKHAR REDDY:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that a large number of medium irrigation projects from Andhra Pradesh are pending with the Central Government for clearance; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES (SHRI MANUBHAI KOTADIA): (a) and (b) For the three medium irrigation projects, namely, Modikuntavagu, Palemvagu and Yerravagu, estimated to cost about Rs. 31.9, Rs. 21.1 and Rs. 7.7 crores and envisaging irrigation benefits to about 6600, 4900 and 2450 hectares respectively, received at the Centre from January, 1989 to March, 1989, the State Government is required, among others, to comply with the observations of Central appraising agencies and to obtain appropriate forest clearance.

**Internal and external debt of the country**

1860. SHRI KAMAL MORARKA: Will the Minister of FINANCE

be pleased to state:

(a) what is the amount of internal and external debt in the beginning and at the end of Seventh Plan;

(b) what is the debt service ratio at present;

(c) whether the danger of debt trap, both internal and external is real; and

(d) if so, what steps have been taken to check the drift towards internal and external debt trap?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) The amounts of internal and external debt outstanding at the beginning and at the end of Seventh Five Year Plan (1985-90) are as follows:

(Rs. crores)

| | Seventh Plan | | |
|---|---|---|---|
| | Outstanding at the beginning | Outstanding at the end | |
| *Internal debt . . . . . | 96505 | 238096 | (RE) |
| External debt ( at the prevailing exchange rate) . | 35725 | 80132 | (Provisional) |

*Comprises internal debt and non-marketable quasi borrowings like small savings, provident funds deposits, etc.

(b) The debt service ratio in 1989-90 of external debt as a proportion to exports and gross invisible earnings is estimated at 21.6%.

(c) and (d) No, Sir. Government has nevertheless taken measures to maximise revenue receipts and contain expenditure growth so as to minimise the dependence on borrowed funds for financing expenditure. The level of country's external debt and the likely burden of its servicing are constantly kept in view to ensure that they remain within prudent limits. To reduce the dependence on external financing a number of steps have been taken to boost exports and increase invisible earnings, contain imports, improve disbursements of committed aid/loans

**Performance of export houses**

1861. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) whether majority of the eligible recognised Export Houses nurtured as frontline export agencies by Government have failed as useful foreign exchange earners for the country;

(b) if so, what are the names of these Export Houses together with the last three years' exports in terms of U. S. dollars and rupees; and

(c) what steps are being taken by Government to achieve competition in exports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SREEDHARAN): (a) No, Sir.

(b) Does not arise.

(c) The Government has taken a series of steps for export promotion. These are designed to make exports commercially viable through upgrading industrial efficiency, ensuring supply of raw materials at competitive prices, strengthening the infrastructure and simplifying the procedural